



OneCare Vermont

December 20, 2021

Dear Chair Mullin, Green Mountain Care Board Members, and Health Care Advocate Policy Team:

I would like to thank the Green Mountain Care Board (GMCB) staff for their thorough review of both OneCare's budget submission and the Medicare trend rate. We are writing to follow up on a few areas under discussion to ensure the voices of the hundreds of participating providers in our program are heard and considered in the Board's decision making process. OneCare remains committed to value-based care and looks forward to a balanced regulatory approach that considers the unique time we are in and the myriad uncertainties and challenges for both Vermonters and our health care workforce. Below please find our input for consideration on several key areas, including: the determination of the Medicare trend rate, OneCare's quality incentive and investments, mandating and approval of ACO management tools, and recent discussions on the ACO's shared savings.

Medicare Trend Rate: We agree with the staff perspective that significant uncertainty remains as the pandemic continues, which makes setting the Medicare trend rate particularly challenging. Based on input from our Finance Committee and consulting actuaries, OneCare believes that the appropriate approach for the trend rate is to set the target to be the 2021 base (re-run after three months of runout plus a completion factor), plus the 10.6% max allowable trend allowed under the terms of the All-Payer Model (APM) agreement, less the 0.2% APM discount factor. This approach recognizes the agreed upon terms, maximizes the federal commitment to the APM and the health care providers engaged in the value-based transformation, provides the ACO providers with financial arrangements in line with Medicare Advantage plans, and puts Vermont on a pathway to manage cost growth while stabilizing the health care delivery system. To be clear: we cannot afford to leave precious federal resources on the table, at a time when our system is stressed to such an extreme state.

Value Based Incentive Fund (VBIF): OneCare supports staff recommendation #2, which is *not* to include a condition related to the VBIF, an initiative developed and offered only by OneCare. As OneCare provided in follow up documentation and public comment, we are developing accountabilities across quality, risk models, and population health management in tandem, while seeking to maintain widespread provider engagement in reform efforts. While the fund is smaller than in 2021, in 2022 we have added a new \$982,000 investment in quality and outcomes incentives to our care coordination program. When looked at in its totality, OneCare has \$8.7M of quality accountability in 2022; this is higher than the budgeted amount in 2021. To continue to advance reform efforts, it is critical that the design and investments remain provider-led.

Benchmarking Tool: OneCare can appreciate the value of benchmarking against other ACOs of similar make-up, and is an activity that we intend to explore with our provider partners and boards. The procurement and implementation of such a benchmarking tool needs to be in partnership with our

participating providers and boards, and imbedded into operational workflows in order to assure buy-in and maximum engagement. The timeline and ultimate decision of the tool selected should lie with the ACO and its provider partners and not directed by a regulatory body.

Shared Savings: The APM set us on a path towards achieving a sustainable long-term pathway for health care at a statewide level, one that currently does not exist anywhere else in the country. As such, we caution against considering one-time shared savings results to be a resource when making regulatory decisions. Retrospective changes to terms and agreements with participating providers who are voluntarily engaged sends a message of distrust to our provider network, destabilizes OneCare's reform programs and creates uncertainty about whether future commitments will be upheld. The goal is the creation of a new and better system that, unlike the fee-for-service system, is not altered and susceptible to year-over-year volatility, but is instead predictable over time.

Thank you for your consideration and please do not hesitate to reach out to me if you have questions.

Respectfully,



Vicki Loner, RN.C, MHCDS, CEO